



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

201427030

APR 07 2014

T.E.P. RA' AL

Re:

Trustees =

Dear .

This letter is to inform you that your request for the plan year beginning January 1, 2007, for a modification of the 10-year amortization extension that was granted to the Plan for amortizing the unfunded liabilities described in section 412(b)(2)(B) of the Internal Revenue Code ("Code") and section 302(b)(2)(B) of the Employee Retirement Income Security Act of 1974 ("ERISA") has been denied. This was communicated to your authorized representative on April 2, 2014, by _____ of this office.

In a letter dated July 31, 2007, the Plan was conditionally granted a 10-year amortization extension under section 412(e) of the Code effective for the plan year beginning January 1, 2003. Effective with the Plan year beginning January 1, 2007, the Plan failed to satisfy the funded ratio benchmark provided for in the ruling letter and previously agreed to before issuance of the ruling dated July 31, 2007.

The Plan is a collectively bargained multiemployer defined benefit pension plan subject to the minimum funding requirements provided for under sections 412, 431 and 432 of the Code. The Plan's contributing employers are primarily in the construction industry. The ratio of active participants to inactive participants has declined significantly which has led to the Plan's financial problems. A significant portion of the Plan's contributing employers have gone out of business.

On March 4, 2013, the PBGC issued a favorable opinion on a new set of rules (Managed Mass Withdrawal Rules) adopted by the Trustees. The Managed Mass Withdrawal Rules created a framework under which each of the Plan's remaining employers could completely withdraw from the Plan and satisfy its obligation to pay (i) employer withdrawal liability under Title IV of ERISA and (ii) the employer's allocable share of the Plan's accumulated funding deficiency. All of the Plan's contributing employers have signed definitive agreements with the Plan under the Managed Mass

Withdrawal Rules. As a result of these agreements, all of the Plan's contributing Employers have completely withdrawn from the Plan and have satisfied their obligations to pay withdrawal liability and their allocable share of the Plan's accumulated funding deficiency. The Plan has terminated under section 4041A of ERISA.

The primary reason that your request has been denied was that the standards under section 412(e) of the Code for approving the requested modification have not been met. That is, approving the requested modification does not carry out the purposes of the ERISA and provide adequate protection for participants under the Plan and their beneficiaries and, further, denying the requested modification (1) does not result in a substantial risk to the voluntary continuation of the Plan, and (2) will not be adverse to the interests of Plan participants in the aggregate. The Plan has become insolvent and has terminated.

You were notified in a letter dated April 24, 2013, that your request for modification of the 10-year amortization extension granted to the Plan had been tentatively denied. On May 28, 2013, the conference of right was held with the Plan's authorized representatives in Washington, DC. Subsequent information was received and considered before finalizing this ruling.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the Manager, EP Classification in Baltimore, Maryland, to the Manager, EP Compliance Unit in Chicago, Illinois, and to your authorized representatives pursuant to a power of attorney (Form 2848) on file with this office.

If you have any questions regarding this matter, please contact
(ID#) at () .

Sincerely,

David M. Ziegler, Manager
Employee Plans Actuarial Group 2

cc: